177 period. The effects of this Russian regime are almost non-existent in present-day Finland.

181 As in Sweden, Finnish society is based on an ancient peasant culture in which the active participation of all the people in deciding the fate of the nation has been characteristic. The ideas of democracy and personal liberty are self-evident to a Finn; he could hardly dream of an existence without them. To an outside observer Finnish society presents a picture of extraordinary stability, of a slow, confident development with almost no interludes of riot

181 and confusion. But it is obvious that a change
178 is now taking place. During this century, and especially after the last war, Finland has been changing from a predominantly agricultural country to a predominantly industrial one, with all the implications and problems that arise

181 178 from the development of big industry, and economic motives have become more and more predominant in public life. As far as her constitutional or judicial system, public education or general welfare are concerned, Finland undoubtedly belongs among the most advanced nations in the world, and there should be little [668] reason for social discontent. All the same, the number of Communists is considerable, and represents a potential threat to the peace of Finland.

157 There is no doubt that the Finn is a born individualist and resents very much any outside interference. He is not apt to follow leaders, and anyone wishing to influence the Finnish public must have an extraordinarily strong personality. At any rate, it is wiser to appeal to his reason rather than to his emotions, for

Annex "A," Subparagraph 1m,

Sociological Background

LABOR FORCE

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162 In the beginning of the twentieth century about 80 per cent of the population of Finland won a livelihood from agriculture, but since then a strong industrialization has taken place. This development was especially noticeable between the two world wars, and after the armistice of 1944 several factors, e. g. the payments of war indemnity to Russia and the rehabilitation of the Karelians, only accelerated the process. While in 1940 53. 7 per cent of the entire population was employed in agriculture, including forestry and fishing, 33. 1 per cent in industry, and 13. 2 per cent in other occupations, the corresponding figures in 1950 were 42 per cent each for agriculture and industry and 16 per cent for the rest.

178 for the rest. Since the population has been steadily growing and the possibilities for expanding the agricultural potential are limited, the excess manpower is likely to seek work in indus-
[438] trial activities. Finnish industry is based on the old handicraft, which was fairly developed already during the Middle Ages, but today home industry is vastly overshadowed by mass production.

438 369 Regional distribution of industry. The old skills of handicraft often were concentrated in specific areas of the country (Subparagraph li)[1] but the modern machine industry is rather evenly distributed all over southern and central Finland, especially in the districts of Uusimaa and Häme, where the number of industrial workers is about 10 per cent of the total population. Of the cities,

1 [See pages 170-174, Cat. 116 --Analyst]